GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:4966
ANSWERED ON:16.12.2016
Growth of Various Sectors
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Will the Minister of FINANCE be pleased to state:

(a) the details of growth rate of various sectors during the last three years, sector-wise;

(b) whether the Government is aware that performance of capital goods sector has shown a decline despite robust economic growth;

(c) if so, the details thereof; and

(d) the steps taken by the Government to encourage public spending and implementation of priority projects to revive capital goods sector?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI ARJUN RAM MEGHWAL)

(a) The growth in Gross Value Added (GVA) at constant (2011-12) basic prices of various sectors during the last three years is given in the following table:

Growth of GVA at Constant Basic Prices (Per cent)			
Sectors	2013-14 (2nd RE)	2014-15 (1st RE)	2015-16 (PE)
Agriculture, forestry & fishing	4.2	-0.2	1.2
Industry	5.0	5.9	7.4
Services	7.8	10.3	8.9
GVA at basic prices	6.3	7.1	7.2

Source: Central Statistics Office (CSO) 2nd RE: Second Revised Estimates
1st RE: First Revised Estimates PE: Provisional Estimates.

(b) & (c): Economic growth, as defined by the growth in Gross Domestic Product at constant (2011-12) market prices stood at 7.2 per cent during the first half of 2016-17. According to the Index of Industrial Production (IIP) released by the Central Statistics Office, the production of capital goods sector contracted by 22.1 per cent during April-October 2016.

(d): Government's industry-oriented initiatives like the Make-in-India and the accompanying measures to facilitate investment and business are likely to boost the industrial sector, including the capital goods sector. Government's focus on improving the quality of public spending, coupled with the implementation of scheme for Enhancement of Competitiveness in the Indian Capital Goods Sector that aims to make Indian capital goods industry globally competitive will help reviving the capital goods sector. The National Policy on Capital Goods Sector, approved by the Cabinet in May 2016, that envisages making India one of the top capital goods producing nations of the world by increasing production, raising exports and improving technology to advanced levels is also likely to strengthen the capital goods sector.

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